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FOREIGN SERVICE DESPATCH

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TO : THE DEPARTMENT OF STATE, WASHINGTON. — DATE October 23, 1953

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Action Assigned to

Action Taken

18 For Dept. Use Only	ACTION	DEPT.
	REC'D 10/26	INFO OTHER

SUBJECT: Joint Weeka No. 43 for State, Army and Air Departments from SA - Section I.

Action Office Symbol

Name of Officer

Direction to DC/R

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SUMMARY

During the past week, Luis VALLADARES y Aycinena, Secretary General of the leading anti-Communist party, took asylum in the Nicaraguan Embassy while José Manuel FORTUNY, Secretary General of the Communist PGT, presided over a meeting of the PGT Central Committee which discussed ways to strengthen the "National Democratic Front" of the Administration parties which have recently been torn by internal factional fights.

Press viewpoints on Assistant Secretary Cabot's speech on Guatemala and other problems to the General Federation of Women's Clubs were mixed, with the Communist and Government press claiming it constituted "intervention" and the independent newspapers either ignoring it or suggesting that it contained an indication that the United States would take action.

The Communist-line "Second Continental Conference of Lawyers misfired in its efforts to portray the Latin American legal profession as endorsing Communist-tinted objectives despite financial support from the Guatemalan Treasury and the personal endorsement of President Arbenz. Only about 20 foreign delegates showed up, and almost half of those were exiles living in Guatemala.

In the armed forces there was some grumbling at the large sums spent by the Government on the "October Fair" while the Army lacked equipment, but Colonel Carlos Enrique DIAZ, Chief of the Armed Forces, made a categoric statement in a press interview that the military would support the regime against any attack.

DOMESTIC AFFAIRS

Anti-Communist Leader Takes Refuge: Luis VALLADARES y Aycinena, Secretary General of Guatemala's leading anti-Communist

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party, the Partido Unificación Anticomunista (PUA) was reported in the press to have taken asylum in the Nicaraguan Embassy. He had previously been ordered to return to the Salamá jail from which he had been released on bail after spending two months there for alleged complicity in the Salamá uprising of March, 1953 (Weeka 41).

Communists to Stress "National Front": The Communist Partido Guatemalteco del Trabajo (PGT) devoted the principal portion of the fall Plenary Session of its Central Committee on October 16-18 to a report by José Manuel Fortuny, PGT Secretary General, on improvement of the "National Democratic Front" which is the political alliance of the leftist parties and the PGT supporting the Arbenz Administration. The party's Tribuna Popular has not yet given a detailed report on the session.

Surface Calm Returns to Administration Parties: The internal dissension in the Partido Acción Revolucionaria (PAR) subsided somewhat this week after President Arbenz conferred with Francisco FERNANDEZ Foncea on October 15 and the latter subsequently slackened his efforts to regain the PAR Secretary Generalship from which he had been removed following his remark in Congress that the PAR was destined to form part of the great "world Communist movement" (Weeka 42).

The Partido de la Revolución Guatemalteca (PRG) this week held a meeting of its National Council which affirmed the party unity (Weeka 42), decided to postpone the party congress until January 15-17, 1954, and reportedly eliminated all candidates for the Secretary Generalship except Augusto CHARNAUD MacDonald, the incumbent. In his address to the Council, Charnaud MacDonald, the Minister of the Interior, stated that the PRG would continue to fight for the common objectives of the Revolution in "close alliance with the working class and its party," i.e. the Communist PGT.

FOREIGN AFFAIRS

Assistant Secretary Cabot's Speech Receives Mixed Press Comment: Mr. Cabot's speech to the General Federation of Women's Clubs in the U.S. on Guatemala and other Latin American problems (Weeka 42) was labelled as intervention in strident editorials this week in the Communist and leftist press, while the independent newspapers which commented speculated as to the U.S.'s intentions. The leftist Diario [illegible] Pueblo headed its editorial "Threats of Moors Cabot Against [illegible]mala" and the Communist Tribuna Popular carried an excerpt of Fortuny's report to the PGT Central Committee objecting to Mr. Cabot's "provocative and imprudent words" and stating that it was not the Communists but "Yankee interventionists such as you and Mr. Braden" who threaten the independence of Guatemala.

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Among the independent newspapers, El Imparcial, the country's leading daily, made no comment whatever, and the morning Prensa Libre suggested that those examining the speech with the idea of finding a threat to Communist activities in Guatemala would be disappointed since Mr. Cabot's meaning was only that "serious problems can and must be discussed calmly, but that insults and slander lead to nothing beneficial." La Hora, La Hora Dominical and Impacto all controlled by the irascible Clemente MARROQUIN Rojas, continued to say acidly in effect that the U.S. would continue to talk about the situation but would not dare do anything about it.

Ambassador TORIELLO arrived on October 18 for three days of consultation and was quoted by reporters as saying Mr. Cabot's speech did not surprise him as it was in the same tone of attack on Guatemala as his earlier statements, but that he was astounded that he should side "so directly" with U.S. companies operating in Guatemala.

PSYCHOLOGICAL

Communist-Line Lawyers' Conference Misfires: The "Second Continental Conference of Democratic Lawyers" held here on October 16-19 under the auspices of the Communist-controlled International Association of Democratic Lawyers (Weeka 42) misfired in its effort to entice representative Latin American attorneys to endorse Communist concepts of democratic freedoms and national sovereignty since less than a score of foreign delegates were present and almost half of them were in reality Communist exiles living in Guatemala. Delegations from Brazil and Colombia and single delegates from Argentina and Ecuador appeared, but most of them had established records as Communists or pro-Communists and at least one of these delegates, a Colombian, was a political exile. The Salvadoran and Honduran delegations and the Nicaraguan delegates were exiles living in Guatemala. The Conference adopted a "Charter of Guatemala" in favor of peace and endorsed a number of resolutions, among them one condemning the British action in British Guiana, another calling for the independence of Puerto Rico, and a third opposing the abolition of the veto in the UN Security Council.

On the local scene, the misfiring of the Conference must be attributed in large part to the independent press which was stimulated to expose the Communist links of the meeting and the fraudulent character of the foreign delegations. The government went to considerable lengths to support: the Foreign Ministry assigned at least $10,000 to help it; President Arbenz sent Charnaud MacDonald, Minister of the Interior, to convey his personal greetings; and the entire Guatemalan Supreme Court attended as part of the Guatemalan delegation.

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Communists Advance "Campaign for Negotiation": Scattered reports in the press during the past fortnight indicate that the Communist-controlled National Peace Committee is enjoying the support of the authorities in its campaign to gather 125,000 signatures on the petition for negotiations among the U.S., USSR, UK, France and Communist China. One report in the official Diario de Centro América described a rally in a hospital of the Guatemalan Institute of Social Security (IGSS) attended by Oscar Edmundo PALMA and Srta. Atala VALENZUELA, members of the PGT who have visited Moscow in the past eighteen months. Another told of a meeting in another IGSS hospital attended by Antonio OVANDO Sánchez, PGT member who was in Moscow in the early 1930's. Major Alfonso MARTINEZ, Chief of the National Agrarian Department, was noted as an early signer in the Department of Guatemala and Captain Terencio GUILLEN, Governor of the Department of Escuintla, was described as presiding over a meeting to start the campaign for signatures in that Department. The Confederación General de Trabajadores de Guatemala, the Communist-controlled national labor federation, and the Alianza Femenina Guatemalteca, the Communist-controlled women's organization, issued appeals for redoubled vigor in the campaign.

These activities underscored the extensiveness of the facilities available for Communist propaganda in comparison to those open to United States information activities in Guatemala.

MILITARY

Officers Grumble at Government Expenditures on "October Fair": In a striking illustration of the Guatemalan military's sensitivity concerning its treatment by the Administration, considerable grumbling has been heard recently among Army officers about the $1,800,000 spent by the government on the "October Fair" which opened on October 20 (Section II) at a time when funds were badly needed for military equipment and barracks. The officers were particularly annoyed because their traditional Army Day on December 22 was moved up to October 20 and, apparently to save money, the usual October 20 parade and reception were cancelled and the Army Day ceremonies were confined to unit demonstrations near their barracks.

Chief of Armed Forces Affirms Military's Loyalty to Regime: In an interview published in the Government's Diario de Centro América, Colonel Carlos Enrique DIAZ stated unequivocally that

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the Armed Forces would support with all their energy the present constituted government in case of any attack from within or without the country.

William L. Krieg
Chargé d'Affaires a.i.

Contributor: Col. A. E. McCormick
Army Attaché

cc: C.A. Missions & routine

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